EXHIBIT H

Conservation Credit Allocation
and
Success Criteria for Conservation Credit Release

A. Conservation credits for the East Plum Creek Conservation Bank shall be established as follows:

(1) An initial total of 6.32 credits, representing 25% of the total possible Conservation Credits, will be created, acknowledged, and certified by the USFWS concurrent with the establishment of the Bank in recognition of the substantial restoration activities already completed on the property and the commitment of the property to permanent conservation purposes.

(2) An additional 12.65 credits, representing 50% of the total possible Conservation Credits, will be certified and released by USFWS upon demonstrated achievement of the success criteria for alluvial groundwater. In recognition of the demonstrated achievement of the first three check dams in restoring and maintaining desired alluvial groundwater levels, one-third of the groundwater-based credits (4.21 credits) will be created, acknowledged, and certified by USFWS concurrent with the establishment of the Bank.

(3) Another 3.80 credits, representing 15% of the total possible Conservation Credits, will be certified and released by USFWS upon demonstrated achievement of the success criteria for habitat vegetation.

(4) The remaining 2.53 credits, representing 10% of the total possible Conservation Credits, will be certified and released by USFWS upon demonstrated achievement of the success criteria for PMJM.

(5) The Parties acknowledge that this Agreement may be amended in the future to incorporate the addition of land to the Bank, or to reflect a mutually agreeable procedure to further enhance or restore the Property in a manner that warrants additional Conservation Credits.

(6) CDOT shall be entitled to apply Conservation Credits from the Bank against any adverse impacts associated with its projects in the Service Area or such other area as may be approved by USFWS and determined in the individual project biological opinion to require off-site mitigation.

(7) Permanent impacts with the primary service area (as defined in Exhibit C) that require off-site compensation shall be offset on the basis of one (1) acre of impact equals 1.50 Conservation Credits from the bank. Permanent impacts within the secondary service area shall be offset on the basis of one (1) acre of impact equals three (3) Conservation Credits.

(8) For temporary impacts associated with CDOT projects in the primary service area or other area approved by USFWS, Conservation Credits will be encumbered on the basis of one (1) acre of temporary impact equals one (1) credit. Temporary impacts in the secondary service area will be encumbered at the rate of one (1) acre of temporary impact equals two (2) credits. Encumbered credits will not be available to satisfy other mitigation obligations. Should any portion of lands temporarily impacted not recover as required in the project-specific biological opinion, the associated proportional encumbered credits shall be permanently dedicated as replacement for such impaired lands. CDOT agrees to encumber certified Conservation Credits to offset such impacts until such time as USFWS, CDOT, and FHWA agree that such temporary impacts have been satisfactorily restored. Such unencumbered Conservation Credits can then be utilized to offset other impacts.

B. Success Criteria Matrix for East Plum Creek Conservation Bank

Credit Category	Sub-Category	Credit/% total credit	Success Criteria
Signing		6.32/25	Check dams in-place, funds committed
Groundwater		12.65/50	
	Check dams 1-3 at signing	4.21/16.7	At each check dam the depth to water below the soil surface is proven to be within 30 inches of the soil surface for a minimum of 18 consecutive days (equal to 12.5%) during the growing season (May 9 through Oct. 2, 147 days) for a minimum of two years (not necessarily consecutive). This criteria is

			applicable to all floodplain areas where the soil surface elevation is within 30 inches of the crest elevation of the nearest downstream check dam
	Check dams 4-9	8.44/33.4	Depth to water below the soil surface is proven to be within 30 inches of the soil surface for a minimum of 18 consecutive days (equal to 12.5%) during the growing season (May 9 through Oct. 2, 147 days) for a minimum of two years (not necessarily consecutive). This criteria is applicable to all floodplain areas where the soil surface elevation is within 30 inches of the crest elevation of the nearest downstream check dam.

Credit Category	**Sub-Category**	**Credit/% total credit**	**Success Criteria**
Habitat Vegetation		3.80/15	
	Foliar cover in restored areas	1.26/5	Measure total foliar cover at two 15-meter long randomly placed transects (perpendicular from the edge of the active channel) at 0.5-meter intervals at each check dam (9 dams total), for a total of 18 transects (60 "hits" per dam). A hit will be coded by vegetation species, litter, or bare ground. If the area of the dam is too narrow for a 15-m transect, it will be assigned an alternative location. Eighty percent of the transects (0.8 * 18= 14) will have to equal or exceed 70% total foliar cover for two years (not necessarily consecutive) until success is achieved.
	Significant increase in shrub and native species foliar cover from check dam areas compared to reference areas	1.27/5	Assign two 15-meter long randomly placed transects at each dam and reference area (9 dams, 2 reference areas) perpendicular form the edge of the active channel. Measure foliar vegetation hits at 0.5 m intervals and species composition of all vegetation hits. The following hypotheses will be tested: There will be no significant difference in average shrub foliar cover between check dam and reference areas for two years ($\alpha = 0.1$), and There will be no significant difference in native

			species foliar cover between check dam and reference areas for two years ($\alpha = 0.1$).

Credit Category	Sub-Category	Credit/% total credit	Success Criteria
	Weed Control	1.27/5	CDOT will commit to control noxious weed patches that are equal to or greater than 100 ft^2 in size by appropriate and acceptable means. Weeds that will be controlled will include those species on the state weed list. Control measures will be taken over the lifetime of the bank. Full credit will be awarded for this effort at year three (January 2006).

Credit Category	Sub-Category	Credit/% total credit	Success Criteria
Preble's Population and Distribution		2.53/10	
	Distribution	1.27/5	Preble's will be found in the following locations for at least two years at each of the following locations from the period 2002-2006: At check dams 4, 5 or 6 south of the Wolfensberger Bridge, starting 30 meters south of check dam 4 and extending 70 meters north of check dam 6, and at check dams 7 (starting at the northern boundary of check dam 6 from above), 8 and 9 (to the northern bank boundary) north of the Wolfensberger Bridge
	Populations	1.26/5	The three-year (1999-2001) pre-check dam average Preble's population density was 9.79 animals km^{-1} stream, with a standard error of 2.18. Credit will be awarded if the three-year post-dam population density exceeds 14 animals km^{-1} stream (this is the mean plus two standard errors). The three-year average can be taken from any three years within the five-year period from 2002-2006.

Note: Assumption of 25.30 credits in bank; 1 credit = 1 acre